



United States Department of the Interior

FISH AND WILDLIFE SERVICE

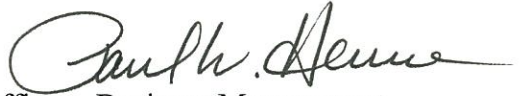
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Memorandum

To: Service Directorate 

From: Assistant Director and Chief Financial Officer - Business Management
and Operations

Subject: Accounting for Non-Economy Act Reimbursable Agreements

As you are aware, the Service will implement the Financial and Business Management System (FBMS) in FY 2012. One of the benefits of FBMS is that it allows reimbursable agreements to remain "open" in the financial system across fiscal years until the work is complete, the period of performance has ended, or the paying agency's funding account is closed. This capability provides an opportunity to significantly reduce the processing workload on field and Regional personnel relating to certain types of reimbursable agreements not authorized under the Economy Act. To take full advantage of FBMS's functionality, a new accounting approach has been developed for Non-Economy Act reimbursable agreements entered into by the Service.

Attached is guidance on the implementation of the new accounting approach. It identifies the types of reimbursable agreements that do not have to be closed at the end of a fiscal year, and also the steps necessary to implement the new approach for existing and new reimbursable agreements.

If you have any questions on the new accounting process for reimbursable agreements, please contact George Keller, Chief, Division of Financial Management, at (703) 358-2054.



Accounting for Non-Economy Act Reimbursable Agreements -Guidelines

Background:

Appropriation law allows reimbursable agreements authorized by legislation other than the Economy Act permit the Service to incur obligations and expenditures for five years beyond the paying agency's funding period of availability (that is, until the paying agency's funding account is closed and the funds are cancelled by Treasury). Establishing Non-Economy Act Agreements in a no-year account eliminates the need to close down and re-establish the agreements each of the subsequent five fiscal years.

New 48xx subactivities have been created within the Service's no-year resource management account to accommodate the following reimbursable agreements:

- Agreements funded by single year or multi-year appropriations authorized by legislation **other than** the Economy Act,
- Agreements funded by **no-year** appropriations, authorized by any legislation, including Economy Act, and
- Agreements funded by non-federal funds.

Attachment 1 is a list of reimbursable subactivities and it includes new subactivities created in the no-year Resource Management Treasury Account (14 X 1611, Fund 135X). The no-year reimbursable subactivity codes keep the same structure as current reimbursable subactivities, substituting a "48" for the existing "19" at the beginning at the code.

Converting to 48xx Accounts:

- 48xx subactivities are currently active in FFS and must be used for:
 - all new non-Economy Act reimbursables received in FY11
 - all new reimbursables funded with no year/non-federal funding
 - all existing non-Economy Act reimbursables funded to which new funding is being added.
- Current 19xx accounts with a period of performance that extends into FY12 and funded with either no year money, non-federal funds or authorized by legislation other than the Economy Act must be converted to 48xx accounts by the fourth quarter of FY11 (July 1, 2011).

This will provide the FBMS conversion team adequate time to test the upload of these accounts into FBMS and ensure that the projects will be available to charge to as soon as access to FBMS is provided in FY12.

- Programs are encouraged to convert current non-Economy Act 19xx accounts to 48xx effective the beginning of the new calendar year. Pay period 2011-02 begins early in the month (January 2) allowing for a clean break between the monthly billing cycles.

If it is not possible to convert existing reimbursable to the 48xx accounts during pay period 2011-02, Programs should pick a convenient breaking point to set up a new 48xx account for the existing reimbursable. Once the new account is set up in FFS, Programs should choose a specific pay period and instruct those charging to the reimbursable to begin using the new 48xx account to charge their costs from that pay period forward.

- Reimbursable subactivities already included in a no-year fund (subactivities 2696, 2698, 9151, 4181, 4371, 4372) will continue to be used for existing and futures agreements and do not need to be converted to 48xx accounts.
- One year Economy Act Agreements will continue to use 17xx subactivities; multi-year Economy Act agreements will continue to use 19xx subactivities.
- Existing reimbursable agreements with a period of performance ending on or before September 30, 2011, do not need to be moved to the 48xx subactivity. The project will end this fiscal year and will not be migrated to FBMS.

Attachment 2 is a "Frequently Asked Questions" document providing further instructions on conversion to the 48xx accounts. If you need assistance in converting your existing reimbursables to the no year subactivities, please contact your reimbursable specialist in the Cost Accounting Branch of the Denver Finance Office. If you have general questions on this topic, please contact George Keller, Chief, Division of Financial Management at (703) 358-2054.

Reimbursable Subactivity Numbers

| | Use 17xx subactivities only for ECONOMY ACT agreements funded with one year TAS | Use 19xx subactivities only for ECONOMY ACT agreements funded with multi- year TAS | Use 48xx subactivities for all NON-ECONOMY ACT agreements (regardless of TAS), any no-year TAS (regardless of authority) and all non-federally funded agreements |
|---|--|---|---|
| Title | Subactivity | Subactivity | Subactivity |
| Refuge Program (Economy Act) | 1790 | | |
| Endangered Species Program (Economy Act) | 1791 | | |
| Habitat Conservation Program (Economy Act) | 1792 | | |
| Fisheries Program (Economy Act) | 1793 | | |
| Law Enforcement Program (Economy Act) | 1794 | | |
| Administration Program (Economy Act) | 1795 | | |
| Migratory Bird Program (Economy Act) | 1796 | | |
| Fish and Wildlife - Endangered Species | | 1901 | 4801 |
| Fish and Wildlife Enhancement - Field Operations | | 1902 | 4802 |
| National Wetlands Emergency | | 1904 | 4804 |
| Environmental Contaminants | | 1906 | 4806 |
| Oil Spill Response | | 1907 | 4807 |
| Coastal Wetlands Plan – Louisiana | | 1908 | 4808 |
| EPA Hazardous Waste Sites (Superfunds) | | 1910 | 4810 |
| EPA Toxic Substances | | 1911 | 4811 |
| EPA- Invasive Species | | 1912 | 4812 |
| EPA - Habitat & Wildlife Protection/Restoration | | 1913 | 4813 |
| EPA - Accountability, Monitoring, Comm Partnerships | | 1914 | 4814 |
| CBP-Border Fence Mitigation | | 1917 | 4817 |
| General Investigation (COE) River Basin | | 1926 | 4826 |
| Construction General (COE) River Basin | | 1927 | 4827 |
| General Investigation (BOR) River Basin | | 1928 | 4828 |
| Construction General (BOR) River Basin | | 1929 | 4829 |
| Hatchery Operations and Maintenance | | 1932 | 4832 |
| Central Valley Project – BOR | | 1933 | 4833 |
| Fisheries – Operations/Maintenance | | 1934 | 4834 |
| San Joaquin River Restoration | | 1935 | 4835 |
| Fisheries – Law Enforcement | | 1936 | 4836 |
| Fisheries – Population Management | | 1937 | 4837 |
| Fisheries – Research and Development | | 1938 | 4838 |
| Sea Lamprey – Great Lakes Fishery Commission | | 1939 | 4839 |
| Endangered Species – List | | 1942 | 4842 |
| Endangered Species - Consultation | | 1943 | 4843 |
| Law Enforcement – Reimbursable Agreements | | 1945 | 4845 |
| Endangered Species – Recovery | | 1946 | 4846 |
| Endangered Species – Research and Development | | 1947 | 4847 |
| Executive Direction | | 1961 | 4861 |
| Administrative and Support Services | | 1962 | 4862 |
| Refuge Operations and Maintenance | | 1971 | 4871 |
| Migratory Bird Management | | 1972 | 4872 |
| Refuges and Wildlife – Law Enforcement | | 1976 | 4876 |
| Refuges and Wildlife – Research and Development | | 1977 | 4877 |
| Habitat Conservation - CALFED | | 1981 | 4881 |
| Fisheries Deferred Maintenance | | | 4882 |
| Refuges Deferred Maintenance | | | 4883 |

Frequently Asked Questions

Do we need to set up a 48xx project if the reimbursable agreement period of performance ends before we move to FBMS?

No. If the period of performance on an existing reimbursable agreement ends on or before September 30, 2011, the agreement does not need to be moved to the 48xx subactivity.

Why are we doing this now, instead of waiting until we actually migrate to FBMS?

Some field stations are funded entirely with reimbursable funding. It is important that we have accounts established for field station personnel to charge to that we know will be available in FBMS. By making the switch to the 48xx accounts this fiscal year, our FBMS system testers will be able to identify and correct potential compatibility problems during this fiscal year without affecting the field office operations. We hope these efforts will make the transition to FBMS smoother for personnel charging to reimbursables, as well as the staff that support the reimbursable program.

Why didn't we convert all existing non-Economy Act reimbursables to the new subactivities at the beginning of FY2011?

We are still learning about the capabilities of FBMS and we continue to learn more about the system each day. We were not in a position to identify these changes in time for the beginning of the 2011 fiscal year.

How do I set up reimbursables with authorizing legislation that is not Economy Act, but are funded by the paying entity with one or multi-year Treasury Accounts (i.e., the Service has legislative authority to incur costs for up to five years beyond the funding period of availability (per <http://www.fws.gov/policy/m0312.pdf>)?

Reimbursables authorized by legislation other than the Economy Act, should be set up as a no year reimbursable with a 48xx subactivity. FBMS will allow the Service to enter the Treasury Account Symbol (TAS) for a reimbursable, and users will be able to query the system to identify reimbursables funded with accounts that will be closing at the end of each fiscal year (for example, reimbursable agreements funded with a TAS that ended in 2005 will be closing this fiscal year).

What if the reimbursable is funded with no year funds, but the period of performance ends at the end of each fiscal year?

You will establish the reimbursable in the no-year account, but you must still complete the work by the end of the fiscal year. As with all reimbursables, the project remains active until the work is complete, *or* the period of performance has ended, *or* the paying agency's funding account is closed, which ever comes first.

Do I need to close out a no-year reimbursable?

Once an agreement is set up in a 48xx account, there will no longer be a need to close it down and re-open the account each fiscal year. Agreements will remain active in FBMS until the work is complete, *or* the period of performance has ended, *or* paying agency's funding account is closed, whichever occurs first. Once one of these events has occurred, the project should be closed.

How do I close out a no-year reimbursable?

Procedures for closing out 48xx accounts will be issued as we learn more about FBMS.